

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1084 - SB 921**

March 31, 2011

**SUMMARY OF BILL:** Requires non-recourse loan contracts to contain a specified written acknowledgement by all attorneys representing the consumer. Requires such contracts to contain specified disclosures. Classifies failure to include required information in a contract as an unfair, false, misleading, and deceptive act or practice, a Class B misdemeanor, under the Consumer Protection Act. Authorizes a civil penalty up to \$10,000 for a willful violation. Directs that a civil litigation provider's charges may not exceed 25 percent of the proceeds provided a Tennessee consumer.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

**Assumptions:**

- According to the Department of Commerce and Insurance, the bill creates an additional specific ground for which the Division of Consumer Affairs will be required to receive, investigate, and mediate consumer complaints.
- Based upon information provided by the Department, the increase in investigations and complaints is anticipated to be not significant. Any cost can be accommodated within existing resources without an increased appropriation or reduced reversion.
- A small increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenue from fees, taxes, and costs collected. These expenditures and revenue are estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

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